

THIS SUMMARY OF TERMS SUMMARIZES THE PRINCIPAL TERMS OF THE PROPOSED FINANCING OF INTELLIVISION HOLDINGS, LLC THROUGH THE ISSUANCE OF UNSECURED CONVERTIBLE PROMISSORY NOTES. THIS SUMMARY OF TERMS IS FOR DISCUSSION PURPOSES ONLY. EXCEPT FOR THE SECTION ENTITLED “CONFIDENTIALITY,” THERE IS NO OBLIGATION ON THE PART OF ANY NEGOTIATING PARTY UNTIL THE DEFINITIVE DOCUMENTS ARE SIGNED BY ALL PARTIES. THIS SUMMARY OF TERMS DOES NOT CONSTITUTE EITHER AN OFFER TO SELL OR AN OFFER TO PURCHASE SECURITIES.

**INTELLIVISION HOLDINGS, LLC
UNSECURED CONVERTIBLE PROMISSORY NOTES**

SUMMARY OF TERMS

Issuer:	Intellivision Holdings, LLC, a California limited liability company (the “Company”).
Amount of Financing Targeted:	\$1,000,000 (One Million Dollars). Actual amount will be in the discretion of the Company.
Type of Security:	Unsecured convertible promissory notes (the “Notes”) having the terms described below.
The Closing:	The initial closing of the sale of the Notes will occur as soon as practicable, at the times and in the discretion of the Company.
Interest Rate:	5.0% per annum
Maturity:	Unless earlier converted, all principal and accrued interest under the Notes shall be due and payable in cash upon (a) the date that is 24 months from the initial closing or (b) the time at which the balance is due and payable upon an Event of Default (as defined below) (such earlier time, (the “Maturity Date”).
No Prepayment:	Except with regard to the conversion of the Notes, the Company may not pay any of the balance under the Notes before it becomes due unless all of the Notes are paid pro rata.
Conversion:	Upon the Company’s next sale of its Class A Units in a single transaction or in a series of related transactions, in each case occurring on or before the Maturity Date, for an aggregate gross purchase price

	<p>paid to the Company of no less than [Six Million Dollars (\$6,000,000)] (excluding the principal amount of and accrued interest or any other amounts owing on all Notes converted in such sale) (the “Next Financing”), the entire balance then outstanding under each Note shall automatically be converted into such number of Class A Units as is equal to such balance divided by the lower of (i) 80% of the price per share agreed to in the Next Financing or (ii) the quotient obtained by dividing (A) [Thirty Seven Million Dollars (\$37,000,000)] by (B) the number of Class A Units outstanding immediately prior to the Next Financing (the “Conversion Price”).</p>
<u>Events of Default:</u>	<p>The entire balance under the Notes shall become due and payable upon the occurrence of any of the following (each, an “Event of Default”): (a) the Company fails to make any payment under the Notes promptly when due; (b) a receiver is appointed for any material part of the Company’s property, the Company makes a general assignment for the benefit of creditors, or the Company becomes a debtor or alleged debtor in a case under the U.S. Bankruptcy Code or becomes the subject of any other bankruptcy or similar proceeding for the general adjustment of its debts or for its liquidation, and such matters are not dismissed within 90 days thereafter; (c) the Company breaches any of its material obligations under the Notes or any other financing document and does not cure such breach within 30 days after written notice thereof to the Company; and (d) the Company’s Board of Directors or stockholders adopt a resolution for the liquidation, dissolution or winding up of the Company.</p>
<u>Documentation:</u>	<p>The Notes will be issued pursuant to a series of Convertible Promissory Notes. The terms of each Note may be amended or waived with the written consent of the Company and the holders of Notes representing at least a majority of the aggregate principal balance under all the Notes then outstanding.</p>
<u>Confidentiality:</u>	<p>The terms and conditions of this Summary of Terms, including its existence, shall be confidential information and shall not be disclosed to any third party without the consent of the Company[and [Investor]], except that the Company and the investors may disclose the terms and conditions described in this Summary of Terms to their respective officers, directors, partners, employees, attorneys and other advisors, provided that such persons agree to the confidentiality restrictions contained herein. If any party determines that it is required by law to disclose information regarding this Summary of Terms, it shall, a reasonable time before making such disclosure or filing, consult with each other party regarding such disclosure or filing and seek confidential treatment for such portions of the disclosure or filing as may be reasonably requested by the other party.</p>

<u>Tax Advice:</u>	Investors are expected to obtain their own investment and/or tax advice and engage in due diligence to satisfy themselves as to the merits and risks of this investment.
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Except for the Section entitled “Confidentiality,” this Summary of Terms and the proposed terms set forth above do not constitute a binding agreement or commitment of the investors, the Company or any of their affiliates. Any agreement or commitment will only be contained in definitive agreements (containing the usual representations, warranties, conditions and covenants for this type of transaction) to be negotiated, executed and delivered, if at all, after the completion of appropriate due diligence and approval of the Board of Directors or the Company. Either party to the negotiations may terminate negotiations at any time for any reason and each party will bear its own expenses if a definitive agreement is not signed.

The parties to this Summary of Terms acknowledge their agreement to the terms contained herein by signing below:

Intellivision Holdings, LLC

Investor

By: _____

By: _____

Name: Tommy Tallarico

Name: _____

Title: CEO

Date: _____

Date: _____

Amount: _____